

WORK SESSION MEMORANDUM

TO: Mayor and City Commissioners
FROM: Todd Larson, Parks & Recreation Director
RE: Fox Run Golf Course
DATE: November 19, 2015

2016 Golf Operations

After listening to City Commission comments during the 2016 budget planning sessions and examining the 2015 Fox Run Golf Course operations, there are three initial options to discuss as the City moves forward into 2016:

Fox Run Financial Information.

Please find in the following attachment the yearly financial information for Fox Run Golf Course.

- Attachment: **Fox Run Financials dating back to 2008**

Option 1

Would be for the City to operate the golf course and restructure the park and recreation department to accommodate the new work assignments. Please review the following attachments that detail this option for 2016.

- Attachment: **2016 Parks Recreation and Events Department Restructure Plan**. This discusses the recommendations for staffing the golf course clubhouse moving forward. The recommendations address some of the customer service complaints the course received in 2015. The document also discusses restructuring golf course maintenance so it is now a part of the parks maintenance division with Parks Superintendent as the supervisor.
- Attachment: **2016 Fox Run Customer Service Plan**. Based on the 2015 course operations, the Golf Advisory Board has brought concerns forward about the customer service at Fox Run. This document addresses the comments received in 2015 by the GAB and other course patrons. The Customer Service Plan would be the focus for staff training in 2016. Based on the staffing recommendations, job duties get assigned to the various full-time staff without one employee being the lead on all clubhouse operations in the future.
- Attachment: **2016 Fox Run Operations Plan**. This document starts to detail operations after implementing the Customer Service Plan.

Option 2

Would be for the City to operate the golf course and hire only a second full-time clubhouse employee to fill the current vacant position. This would be the same staffing set-up that was in place at the course for the past six years. Dakota Golf Management from Sioux Falls could be contracted with to serve in a consultant capacity to examine

operations and recommend ways to decrease expenses and increase revenues. After 2017, when Dakota Golf Management has secured the management contracts for the three City of Sioux Falls golf courses again, a more aggressive plan could be created where Dakota Management would possibly take on the operations of Fox Run as an independent vendor. This option does not help the course deal with the spring and fall seasons when part-time help is scarce and the operation hours are still great.

Option 3

Would be for the City to enter into an agreement with Great Life Golf and Fitness of Sioux Falls. There are a few different scenarios that can be examined with this option.

- Affiliate course- in this option, Fox Run would still be operated by the City. Great Life Golf pass holders would be able to use the course and Great Life would reimburse the City for the golf rounds played by its pass holders, at a specific dollar amount per round, up to a monthly maximum amount. Any other purchases made at the course by Great Life season pass holders, such as cart rental, driving range balls, food, or beverage would be income for Fox Run Golf Course. Fox Run could realize a loss of season pass holders as some choose to become Great Life season pass holders and use that pass to have access to Fox Run Golf Course.
- Management agreement- in this option, the golf and clubhouse operations would be leased to Great Life Golf. An agreed upon percentage or amount of course revenue would be paid back to the City, but the majority of revenue would be Great Life's. The maintenance division of parks and recreation would still need to maintain the course and its facilities. The amount of revenue paid back to the City is not likely to cover all the costs of maintenance employees' wages, equipment, and supplies, but this would not be known until the actual agreement is presented to the City by Great Life.
- Lease agreement- in this option, the entire Fox Run Golf Course operation, including golf, clubhouse, and maintenance, would be leased to Great Life Golf for an agreed upon percentage or amount of course net revenue. If the course does not realize a profit, the amount paid to the City may be very small.
- Lease to own agreement- in this option, it would be similar to the lease agreement option but in the future Great Life Golf would want the option to buy Fox Run Golf Course which includes the land.

If Great Life Golf and Fitness is a viable option, as the agreements are negotiated, there would also be discussions about how the Summit Activities Center Community Fitness and Recreation Center could be involved with Great Life in the future.

According to the literature provided to the City, Great Life Golf and Fitness owns five golf courses, and works with fourteen other courses. Some of these golf courses have Great Life fitness facilities. Great Life also has ten other fitness facilities.

From Great Life's literature, "Great Life Golf & Fitness believes in bringing families together through sports, fitness and healthy lifestyles. That's why we've made 19 of the area's best golf courses accessible and affordable for everyone. Free weekly golf clinics

for kids, adults, and families are just one of the perks that make Great Life memberships irresistible. Even better, our golf memberships include unlimited fitness at our state-of-the-art fitness centers.

At Great Life, we believe that healthy lifestyles support healthy families and enrich lives. If we can impact your life by helping you establish healthier habits, you pass those habits on to your children, who pass them on to theirs. In the end, that makes your family healthier and happier.

From the beginning, we have been determined to make this vision a reality. We pulled together the best resources, most qualified trainers, highest quality equipment, and included Free Fitness Classes to give our members the best experience at the most affordable price. It's not just a workout, it's a lifestyle."

The purpose of tonight's work session is to discuss these options and provide direction regarding which option the City Parks and Recreation Department should pursue for 2016 at Fox Run Golf Course.

Thank you.

Todd R. Larson
Director of Parks and Recreation

Fund: Golf Course

Function: Operations

ACCOUNT NO.	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual
	Operating Revenues	\$805,514	\$863,865	\$897,608	\$699,536	\$789,068	\$728,168	\$760,272
	Operating Expenses:							
	Personnel Services	\$321,002	\$302,850	\$306,861	\$288,334	\$326,987	\$331,893	\$341,019
	Insurance	\$4,629	\$4,417	\$4,714	\$4,967	\$5,021	\$4,944	\$5,066
	Professional Services	\$12,786	\$16,621	\$18,808	\$18,548	\$22,686	\$30,105	\$29,026
	Publishing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Repairs & Maintenance	\$63,758	\$62,573	\$72,402	\$65,622	\$78,953	\$54,541	\$54,238
	Supplies & Materials	\$322,207	\$330,990	\$313,753	\$263,697	\$289,520	\$285,241	\$289,353
	Travel & Conference	\$2,061	\$1,727	\$2,553	\$2,411	\$3,661	\$2,781	\$1,798
	Utilities	\$34,267	\$28,028	\$30,635	\$32,268	\$37,014	\$29,535	\$30,226
	Billing & Administration	\$58,579	\$61,625	\$63,474	\$65,378	\$67,340	\$67,340	\$67,340
	Depreciation	\$68,054	\$60,886	\$55,305	\$55,745	\$57,883	\$58,544	\$60,287
	Total Operating Expenses	\$887,343	\$869,717	\$868,505	\$796,970	\$889,065	\$864,924	\$878,353
	Net Operating Income(Loss)	(\$81,829)	(\$5,852)	\$29,103	(\$97,434)	(\$99,997)	(\$136,756)	(\$118,081)

Non-Operating Revenue(Expense)							
Interest	\$6,159	\$986	\$796	\$632	\$156	\$112	\$92
Miscellaneous	\$7	(\$9)	\$0	\$5,561	\$15,929	\$659	\$660
Decrease in fair value of investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest & Fiscal Charges	(\$1,000)	\$0	\$0	\$0	\$0	\$0	\$0
Loss on Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Issuance Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gain on disposition of Assets	\$98	\$7,208	\$0	\$0	\$0	\$0	\$0
Donations from Private	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Nonoperating Income	\$5,264	\$8,185	\$796	\$6,193	\$16,085	\$771	\$752
Net Income (loss)	(\$76,565)	\$2,333	\$29,899	(\$91,241)	(\$83,912)	(\$135,985)	(\$117,329)

Fund: Golf Course

Estimated Revenue

ACCOUNT NO.	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual
641 3495	Sale of TID Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 3610	Interest	\$6,159	\$986	\$796	\$632	\$156	\$112	\$92
641 3612	Sale of Fixed Assets	\$98	\$0	\$0	\$0	\$0	\$0	\$0
641 3615	Miscellaneous Reimbursements	\$0	\$0	\$0	\$328	\$233	\$660	\$661
641 3640	Compensation Loss & Damage	\$0	\$7,208	\$0	\$5,233	\$15,696	\$0	\$0
641 3660	Donation from private	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 3690	Miscellaneous	\$7	(\$9)	\$0	\$0	\$0	(\$1)	(\$1)
642 3610	Interest on Bond Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
642 3965	From 1998 TID Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
643 3610	Interest on Bond Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
643 3614	1998 Bond Escrow	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Nonoperating Revenue	\$6,264	\$8,185	\$796	\$6,193	\$16,085	\$771	\$752
641 3701	Cash Long	\$224	\$1,362	\$1,292	\$439	\$579	\$659	\$1,178
641 3710	Prepared Food	\$35,120	\$40,471	\$39,018	\$33,589	\$36,289	\$39,104	\$32,322
641 3711	Prepared Food - NON-Taxable		\$0	\$0	\$620	\$618	\$661	\$940
641 3712	Side Orders	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 3714	Pre-Packaged Food	\$10,072	\$10,199	\$8,080	\$5,504	\$6,666	\$5,783	\$7,277
641 3716	Cigarettes	\$143	\$0	\$0	\$0	\$0	\$0	\$0
641 3718	Beer	\$81,224	\$91,416	\$94,501	\$81,414	\$95,360	\$84,982	\$85,583
641 3720	Pop	\$25,884	\$28,627	\$29,856	\$22,737	\$26,183	\$21,481	\$21,286
641 3722	Fountain Pop	\$686	\$0	\$0	\$0	\$0	\$0	\$0
641 3724	Coffee	\$147	\$0	\$0	\$0	\$0	\$0	\$0
641 3726	Catering	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 3728	Miscellaneous Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 3735	Simulator					\$0	\$0	\$0
641 3736	Simulator Non-Taxable					\$0	\$0	\$0

641 3740	Season Pass	\$171,797	\$173,960	\$197,591	\$140,463	\$185,026	\$165,687	\$173,299
641 3741	Season Pass-Non-Taxable	\$0	\$0	\$5,150	\$4,200	\$0	\$3,387	\$3,387
641 3742	Greens Fees-Weekends/Holidays	\$74,608	\$91,608	\$88,449	\$69,138	\$55,283	\$47,367	\$57,155
641 3743	Greens Fees-Non-Taxable	\$0	\$0	\$3,022	\$6,150	\$6,134	\$2,998	\$3,949
641 3744	Greens Fees-Weekdays	\$54,126	\$59,298	\$51,484	\$53,751	\$61,719	\$61,667	\$68,173
641 3745	Greens Fees-Debt Service	\$8,341	\$5,963	\$3	\$0	\$0	\$0	\$0
641 3746	Golf Car Rental	\$69,478	\$83,499	\$88,724	\$74,460	\$73,683	\$61,548	\$63,572
641 3747	Golf Car Rental - NON-Taxable			\$0	\$0	\$226	\$0	\$1,215
641 3749	Golf Car Storage	\$19,814	\$20,029	\$21,196	\$21,198	\$21,054	\$20,139	\$19,500
641 3750	Trail Fees	\$19,249	\$22,039	\$25,159	\$25,873	\$29,186	\$27,021	\$26,297
641 3752	Pull Cart Rental	\$1,302	\$600	\$520	\$262	\$251	\$146	\$263
641 3753	Golf Club Rental	\$262	\$4,276	\$1,014	\$746	\$796	\$1,016	\$849
641 3754	Driving Range	\$15,429	\$18,357	\$16,705	\$11,988	\$14,807	\$13,527	\$13,200
641 3755	Driving Range Non-Taxable	\$0	\$0	\$1,731	\$310	\$72	\$444	\$499
641 3756	Handicapping	\$7,605	\$8,425	\$8,736	\$8,176	\$8,213	\$8,332	\$8,558
641 3760	Golf Balls	\$26,695	\$27,618	\$31,387	\$22,073	\$23,825	\$25,056	\$22,952
641 3762	Gloves	\$7,654	\$5,880	\$6,904	\$6,241	\$6,459	\$6,692	\$6,335
641 3764	Golf Caps/Visors	\$6,851	\$5,901	\$8,910	\$5,261	\$6,540	\$7,487	\$5,780
641 3766	Merchandise	\$58,165	\$59,419	\$48,434	\$29,893	\$38,808	\$37,525	\$34,322
641 3767	Merchandise Non-Taxable	\$0	\$0	\$10,091	\$4,564	\$1,162	\$1,890	\$721
641 3768	Golf Equipment	\$88,196	\$84,592	\$76,351	\$44,676	\$63,719	\$58,642	\$73,603
641 3770	Miscellaneous Merchandise	\$1,616	\$859	\$0	\$0	\$344	\$0	\$779
641 3783	Tournament Fee (Non taxable)	\$1,749	\$506	\$9,405	\$0	\$0	\$1,406	\$0
641 3784	Leagues	\$2,294	\$1,930	\$1,896	\$1,715	\$2,126	\$1,434	\$0
641 3788	Junior Golf Program	\$3,466	\$3,578	\$3,347	\$3,466	\$3,696	\$3,394	\$3,719
641 3790	Club Repairs	\$175	\$167	\$0	\$4,944	\$9,763	\$9,628	\$11,102
641 3792	Lessons	\$1,614	\$2,215	\$1,027	\$760	\$6,381	\$5,490	\$5,957
641 3793	Golf Cart Ads	\$11,528	\$11,071	\$17,625	\$14,925	\$4,100	\$3,575	\$6,500
641 3910	Transfer from General Fund			\$0	\$0	\$0	\$0	\$0
641 3926	Equity Transfer TID	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Operating Revenue	\$805,514	\$863,865	\$897,608	\$699,536	\$789,068	\$728,168	\$760,272
	Total Revenues	\$811,778	\$872,050	\$898,404	\$705,729	\$805,153	\$728,939	\$761,024

Fund: Golf Course

Operating Expenses

ACCOUNT NO.	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual
641 641 101	Regular Wages	\$174,929	\$180,420	\$183,614	\$158,647	\$193,541	\$203,552	\$193,023
641 641 102	Temporary Wages	\$90,923	\$66,718	\$65,264	\$74,461	\$70,388	\$67,026	\$83,757
641 641 103	Overtime Wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 111	OASI	\$20,137	\$18,675	\$18,788	\$17,221	\$19,882	\$19,882	\$21,521
641 641 121	Retirement	\$10,496	\$10,825	\$11,017	\$9,356	\$11,612	\$11,734	\$12,061
641 641 131	Worker's Comp	\$2,206	\$2,252	\$2,304	\$2,381	\$2,462	\$2,481	\$2,498
641 641 132	Group Insurance	\$21,855	\$23,477	\$24,585	\$25,431	\$28,506	\$26,608	\$27,470
641 641 133	Unemployment Insurance	\$456	\$483	\$1,289	\$837	\$596	\$610	\$689
					(\$1,002)	(\$1,002)	(\$1,002)	(\$1,002)
	Subtotal Personnel Services	\$321,002	\$302,850	\$306,861	\$287,332	\$325,985	\$330,891	\$340,017
641 641 201	Insurance	\$4,629	\$4,417	\$4,714	\$4,967	\$5,021	\$4,944	\$5,066
641 641 202	Professional Services	\$117	\$339	\$354	\$575	\$425	\$320	\$132
641 641 203	Bank Card Discounts	\$4,235	\$8,808	\$9,725	\$8,657	\$10,932	\$9,127	\$12,034
641 641 204	Contracted Services-Operations	\$3,908	\$4,501	\$5,416	\$5,394	\$6,815	\$15,220	\$4,033
641 641 209	Licenses	\$605	\$535	\$290	\$290	\$290	\$290	\$1,880
641 641 210	Promotional	\$689	\$0	\$0	\$0	\$100	\$48	\$5,433
641 641 211	Advertising	\$3,232	\$2,438	\$3,023	\$3,632	\$4,124	\$5,100	\$5,514
641 641 221	Repairs & Maint.-Equipment	\$16,405	\$29,512	\$51,421	\$12,246	\$29,359	\$14,095	\$19,385
641 641 222	Repairs & Maint.-Vehicles	\$0	\$0	\$214	\$0	\$1,574	\$1,843	\$0
641 641 223	Repairs & Maint.-Buildings	\$33,922	\$21,176	\$10,040	\$34,497	\$28,359	\$17,098	\$16,808
641 641 224	Repairs & Maint.-Central Garage	\$13,431	\$11,885	\$10,727	\$18,879	\$19,661	\$21,505	\$18,045
641 641 231	Postage	\$1,150	\$1,003	\$961	\$610	\$508	\$940	\$476

641 641 232	Office Supplies	\$764	\$1,134	\$492	\$1,032	\$1,424	\$798	\$2,586
641 641 233	Printing & Binding	\$178	\$406	\$1,183	\$186	\$0	\$0	\$0
641 641 234	Copies	\$123	\$41	\$0	\$1	\$37	\$109	\$47
641 641 235	Subscriptions & Publications	\$30	\$0	\$0	\$0	\$0	\$0	\$0
641 641 236	Janitorial Supplies	\$3,853	\$3,505	\$3,178	\$3,717	\$4,474	\$3,306	\$3,255
641 641 240	Chemicals & Gases	\$39,212	\$35,732	\$35,663	\$33,496	\$34,378	\$35,240	\$32,824
641 641 241	Agricultural Supplies	\$6,171	\$11,718	\$4,908	\$5,934	\$5,646	\$8,869	\$11,434
641 641 242	Recreation Supplies	\$7,258	\$3,261	\$4,694	\$1,996	\$3,550	\$3,707	\$6,720
641 641 243	Medical & Safety Supplies	\$5	\$25	\$0	\$1,210	\$0	\$0	\$0
641 641 244	Uniforms & Dry Goods	\$515	\$260	\$447	\$462	\$664	\$677	\$1,035
641 641 247	Small Tools & Hardware	\$312	\$269	\$106	\$565	\$964	\$207	\$75
641 641 261	Membership Dues	\$636	\$646	\$446	\$661	\$626	\$671	\$996
641 641 263	Travel Expense	\$0	\$0	\$0	\$386	\$117	\$0	\$92
641 641 264	Learning	\$0	\$0	\$0	\$0	\$10	\$0	\$0
641 641 265	Conferences & Meetings	\$1,425	\$1,081	\$2,107	\$1,364	\$2,908	\$2,110	\$710
641 641 271	Telephone	\$2,528	\$1,918	\$1,934	\$1,946	\$2,135	\$2,098	\$2,116
641 641 272	Electricity	\$21,069	\$17,334	\$19,083	\$20,749	\$26,909	\$17,468	\$17,610
641 641 273	Fuel-Heating	\$7,263	\$5,030	\$5,479	\$5,530	\$3,365	\$5,649	\$5,965
641 641 274	Water Service	\$1,633	\$1,674	\$1,880	\$1,879	\$2,178	\$1,993	\$2,755
641 641 275	Sewer Service	\$1,280	\$1,529	\$1,707	\$1,688	\$2,043	\$1,767	\$1,734
641 641 276	Landfill	\$494	\$543	\$552	\$476	\$384	\$560	\$46
641 641 277	Rubble	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 278	Yard Waste	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 281	Billing and Administration	\$58,579	\$61,625	\$63,474	\$65,378	\$67,340	\$67,340	\$67,340
641 641 291	Depreciation	\$68,054	\$60,886	\$55,305	\$55,745	\$57,883	\$58,544	\$60,287
	Subtotal Other Current Expenditures	\$303,705	\$293,231	\$299,523	\$294,148	\$324,203	\$301,643	\$306,433
641 641 701	Cash Short	\$211	\$918	\$760	\$598	\$145	\$672	\$1,294
641 641 710	Entree	\$27,639	\$26,204	\$26,398	\$27,916	\$26,785	\$32,436	\$27,160
641 641 712	Side Orders	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 714	Candy	\$4,295	\$4,189	\$4,357	\$3,795	\$13,542	\$4,329	\$3,724
641 641 716	Cigarettes	\$0	\$0	\$0	\$0	\$0	\$0	\$0

641 641 718	Beer	\$28,233	\$29,752	\$31,240	\$28,129	\$32,271	\$29,848	\$28,122
641 641 720	Beverages	\$12,795	\$12,867	\$14,455	\$11,256	\$8,746	\$9,157	\$9,771
641 641 722	Drinks	\$61	\$22	\$0	\$301	\$0	\$0	\$0
641 641 724	Coffee	\$95	\$7	\$0	\$0	\$75	\$0	\$0
641 641 726	Catering	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 728	Miscellaneous Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 746	Golf Car Rental	\$32,489	\$34,969	\$33,759	\$33,639	\$30,419	\$25,477	\$28,206
641 641 749	Reimbursement-Golf Shed Rental	\$0	\$0	\$0	\$0	\$0	\$0	\$342
641 641 752	Pull Carts - Rental	\$0	\$0	\$0	\$0	\$774	\$0	\$852
641 641 754	Driving Range	\$3,256	\$110	\$2,887	\$2,814	\$3,058	\$2,385	\$2,297
641 641 756	Handicapping	\$7,150	\$7,056	\$7,250	\$7,359	\$7,210	\$6,948	\$7,725
641 641 760	Golf Balls	\$19,642	\$22,202	\$24,399	\$18,712	\$18,187	\$21,320	\$18,882
641 641 762	Gloves	\$3,717	\$3,768	\$3,802	\$4,110	\$635	\$5,083	\$4,889
641 641 764	Golf Caps/Visors	\$4,553	\$4,125	\$5,493	\$3,882	\$5,002	\$3,667	\$3,505
641 641 766	Merchandise	\$49,170	\$52,121	\$57,752	\$20,693	\$34,536	\$35,780	\$21,750
641 641 768	Golf Equipment	\$66,792	\$73,036	\$51,868	\$43,140	\$48,630	\$47,783	\$63,852
641 641 770	Miscellaneous Merchandise	\$0	\$0	\$180	\$0	\$0	\$0	\$0
641 641 771	Newsletter	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 782	Tournament Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 784	Leagues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 788	Junior Golf Program	\$1,339	\$0	\$1,070	\$920	\$746	\$790	\$1,060
641 641 790	Club Repairs	\$0	\$0	\$0	(\$1,395)	\$7,114	\$5,713	\$6,957
641 641 791	Miscellaneous	\$1,199	\$2,290	(\$3,549)	\$8,619	\$0	\$0	\$513
641 641 792	Lessons	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal Resale Expenditures	\$262,636	\$273,636	\$262,121	\$214,488	\$237,875	\$231,388	\$230,901
	Total Operating Expenditures	\$887,343	\$869,717	\$868,505	\$795,968	\$888,063	\$863,922	\$877,351

Fund: Golf Course

Function: Improvement & Extensions

ACCOUNT NO.	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual
	Revenues:							
	Net Gain(Loss)	(\$76,565)	\$2,333	\$29,899	(\$91,241)	(\$83,912)	(\$135,985)	(\$117,329)
	Depreciation	\$68,054	\$60,886	\$55,305	\$55,745	\$57,883	\$58,544	\$60,287
	Bond Discount Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	1998 Bond Escrow	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Equity Transfer From TID #1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Beginning Balance	\$16,797	(\$47,375)	\$15,844	\$99,168	\$7,303	(\$45,130)	(\$122,571)
	Total Funds Available	\$8,286	\$15,844	\$101,048	\$63,672	(\$18,726)	(\$122,571)	(\$179,613)
	Application of Funds Available							
	Principal On Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Change in Accr Interest @ Year End	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Increase (Decr.) Debt Service Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Equipment	\$46,718	\$0	\$1,880	\$56,369	\$26,404	\$0	\$48,483
	Course Improvements	\$8,943	\$0	\$0	\$0	\$0	\$0	\$0
	Reserve for Future Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Advance to Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Applied	\$55,661	\$0	\$1,880	\$56,369	\$26,404	\$0	\$48,483
	Due to / Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Ending Balance	(\$47,375)	\$15,844	\$99,168	\$7,303	(\$45,130)	(\$122,571)	(\$228,096)

Fund: Golf Course

Function: Improvement & Extension

ACCOUNT NO.	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual
641 641 411	Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 570	Cash Short / Theft	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0
641 641 580	Loss on Disposition of Asset	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 657	TID Roads	\$0	\$0	\$0	\$0	\$0	\$0	\$0
642 642 411	Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
642 642 421	Fiscal Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
642 642 422	Bond Issuance Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
643 643 411	1998 TID Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
643 643 421	1998 TID Fiscal Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
643 643 422	Bond Issuance Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Interest & Fiscal Fees	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0
641 641 580	Loss on Disposition of Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Nonoperating Expenses	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0
641 641 301	Capital Repair and Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 320	Building & Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 350	Course Equipment	\$46,718	\$0	\$1,880	\$56,369	\$26,404	\$0	\$48,483
641 641 390	Golf Course Improvements	\$8,943	\$0	\$0	\$0	\$0	\$0	\$0
641 641 xxx	Reserve for Future Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
641 641 441	91 TID Bond Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0

641 641 655	Advance to Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
642 642 510	Decrease in FV of Investment Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0
643 643 441	98 TID Bond Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Capital Expenditures	\$55,661	\$0	\$1,880	\$56,369	\$26,404	\$0	\$48,483

2016 Parks, Recreation and Events Department Restructure

- **RECOMMENDATION** - Hire a City Events and Promotions Coordinator.
 - Plans, organizes, implements, supports, or coordinates with City events and recreation outreach. Serves a lead role to events and activities sponsored by the City of Yankton and a support role to other cooperative community events. Work focuses on increasing the economic impact and continued development of the visitor industry and its economic impact on the Yankton community.
 - Promotions and Marketing
 - Help with Facebook marketing and event marketing
 - Fox Run Golf Course Support
 - Help with Pro-Am tournament
 - Make the season pass holder tournament a night event also
 - Help with City Classic tournament, night events

- Fox Run Golf Course Clubhouse Staffing
 - The City should have a concern about the relationships at Fox Run and the season pass holders. Many comments this year about paying more for less service. Many customer service complaints this year.
 - The City should have a concern about relying on part-time/seasonal help to work a large number of hours at the golf course.
 - Have heard at the October CVB Council meeting about the State Parks, Hotel, and Food & Beverage industry a concern with not being able to fill part-time/seasonal positions in 2015.
 - **GOAL**: to further enhance customer service delivery and offer the highest level of quality services by **focusing on utilizing the talents of full-time staff** to teach classes, run programs, facilitate workshops, special events and leagues, and carry out daily facility operations. If not addressed, continued problems including:
 - lack of ownership and disengaged full-time staff
 - inefficient use of department resources and personnel talents
 - reliance on an hourly employee base with less vested interest in the city operations
 - loss of facility oversight and accountability
 - lack of understanding customer needs and ability to develop and maintain relationships
 - lack of creativity in developing new offerings
 - There will be an increase in Regular Salaries and Wages at the course, with continued effort to reduce the amount of Temporary Salaries and Wages, but the Temporary line item cannot be reduced to zero due to the type of operation unless seriously reducing services and hours (SAC operations as examples).
 - Another City operation that is similar to Fox Run is the Summit Activity Center. The staffing model at the SAC facility was restructured in 2009, with the addition of a full-time receptionist added to the four full-time positions, to allow for better customer service with minimizing the number of part-time employees. The SAC has reduced hours of operations in the summer.
 - Fox Run has two full-time maintenance staff that cannot be utilized during the busy spring, summer, and fall seasons. This leaves two full-time employees to operate the clubhouse in the spring, summer, and fall. With the addition of a

Golf Simulator at Fox Run, the course has greatly expanded its hours of operations in the winter.

- **RECOMMENDATION** - Hire a Fox Run Golf Business Manager. Full-time employee, Range 40 (\$44,175 - \$55,926) who controls all operations at the course. Will schedule all employees for the clubhouse. Provide commission for food & beverage operations.
 - **RECOMMENDATION** - Hire an Assistant Business Manager. Full-time employee, Range 30 (\$34,510 - \$43,689) who works in support of all operations at the course. Provide commission for advertising sales (golf cart wraps, scorecards, benches, ball washers, etc.)
 - **RECOMMENDATION** for Golf Pro. Restructure contract. Manage golf specific operations (leagues, tournaments) Pro shop Commission. Lessons and club repair would only happen outside scheduled hours. Need to reduce the amount of phone calls and texts the pro receives when not working at the course. May need to only list a work phone number and no cell phone number so the general public cannot contact the pro on a cell phone.
 - Utilize three full-time employees and course superintendent in winter. Utilize course superintendent when not being utilized by parks department.
 - Clubhouse cleaning/maintenance would become part of full-time staff and closing staff responsibilities. No longer a separate part-time job.
 - Todd will work at Clubhouse on Thursdays in 2016.
 - The addition of wages to the Golf budget can be made up with cuts to the Park, Cemetery, Trails budgets.
- Fox Run Golf Maintenance Staffing
 - **RECOMMENDATION** - Move under Parks Department
 - Relieves Clubhouse staff from supervising maintenance. Places workload on parks department for overseeing maintenance and projects.
 - If Fox Run is having issues with in-mate labor or seasonal labor, the parks employees can fill in at course to help maintenance.
 - **RECOMMENDATION** - Greenskeeper position will change to ½ Fox Run and ½ Parks Department with a title change to Fleet Mechanic. This would be similar to Bob Snyder's position with the Parks and SAC budgets. Also, similar to how Chris Bornitz is utilized in the parks department.
 - Fleet mechanic would be utilized at Fox Run March, April, May, June, July, August, and September while helping with parks equipment as needed. October, November, December, January, February would be utilized by the Parks Department.
 - **RECOMMENDATION** - Jim Snook, Parks Superintendent, currently at Range 44 for salary should move to Range 47.
 - Jim would need to utilize the three Senior Grounds Maintenance Workers more with them doing more supervision and assigning of work to other department employees.
- Fox Run Golf Billing and Administration Fee
 - **RECOMMENDATION** - I believe the billing and administration fee needs to be taken off of the books to help with the perception of the City taking revenues from Fox Run for either the parks department budget or the general City budget. The rebate or refund policy that may take place in 2015 and 2016 does not help the on-going perception of the City taking revenues from Fox Run. Right now and in the eight years I have been employed with the City of Yankton, perception is reality with season pass holders.

2016 Fox Run Customer Service Plan

- ❖ The plan needs to be emphasized every day and every employee needs to be trained on these items.
 - First focus on customer service and then when we've accomplished that, we will start to set goals for rounds and season pass numbers.

- ❖ Fox Run Golf Course Brand- Fox Run Golf Course- Yankton's Fun Golf Facility!
 - Everything workers do to create the user experience.
 - Need to train all workers on why you do it and how you do it.
 - Customers become loyal as a result of their experience with the mixture of the product (golf) with the service, feelings, benefits and advantages they encounter as a result of their use of your golf course. Interactions with staff are crucial.
 - Staff can't be lost with no work direction or disheartened. Staff will effectively quit, but are still on site collecting their paycheck, and rounds/revenue are continuing to decline. No one is actively working the business. Need to train and support all staff.
 - What are you doing to – or not doing for – season pass holders and league members that makes perfect sense to you but irritates and alienates them? Always keep this question in mind.

 - Fox Run Brand- well-maintained course that provides a fun golf experience
 - Affordable, exceptional value, ability for pass-holders and walk-up golfers to get on course
 - FUN- do not have staff make cup placement hard during regular playing days so regular everyday golfers can score well which equals fun.
 - Harder cup placement on tournament days is fine.
 - Look at removing more sand bunkers to help with making course more user friendly and help with lower maintenance expense (most expense and time consuming to maintain on course).
 - **Target audience- where are they located, key info to get to them, where do they get info?**
 - Website and facebook are not the best and only solution but part of total package.
 - How do you get golfers on the course on slow days, tracked through software?
 - Don't give away golf, but give away or discount the amenities (driving range, food and beverage, pro shop stuff)
 - Website- with new webpage in fall of 2015. Update all info, need more high res photos of facilities and course.

- ❖ Visitor experience
 - How do we make the visitor experience the best possible? We are not volume, so it needs to be hands on and making it very personable to all patrons.
 - Can you use food and beverage to drive golf numbers, people come as a restaurant with an activity option? Different way to market. Need to advertise the special food nights with golf as activity.
 - Not all events are quality as it depends on what full-time worker is supervising.
 - Customer service training and adhering to plan.
 - Starts with entryway and parking lot, landscaping.
 - All trash picked up.
 - All landscaping weeded and looking nice.
 - Landscaping around clubhouse, cart sheds, on course

- Clubhouse
 - Flag up on flag pole
 - Restrooms
 - Cleaned regularly and up-date so modern (people care about restrooms especially in hospitality)
 - Food and beverage area
 - Tables cleaned, bar area cleaned, and trash removed
 - Garbage cans around clubhouse and on driving range kept from overflowing.
 - All trash picked up around clubhouse and buildings.

- Customer service in clubhouse
 - Greeting all people who come in the door everyday
 - Walking out from behind counters to speak with customers in pro shop area. Shake hands.
 - Getting people onto the course efficiently and fast
 - Making room for them if not on tee sheet, answering all questions.
 - Give people a hand out of games that can be played on the golf course to help them have FUN.
 - Answering the phone within three rings. Always being pleasant.

- Practice areas
 - Well maintained
 - Trash removed
- Tee boxes
 - Trash cans empty
 - Ball washers full
 - Broken tees and cups for tees emptied daily
- Fairways
 - Yardage markers up and painted regularly
 - Sprinkler heads marked with distances?
 - Cut nice and wide to help make the game FUN
 - Need to remove dead trees immediately in summer. Dead branches also.
- Greens
 - Easy cup placement on all but tournament days
- On course restrooms, spot-a-pots in working order
 - Starts as soon as the weather allows for the course to be open
 - Checked daily- both comfort station and spot-a-pots
 - Cleaned daily- comfort station, clean spot-a-pots if needed
 - Everything working or called in to fix immediately (drinking fountain, doors, sinks, stools, urinals, stall doors)
 - No trash, no bad smells
- As golfers come back in to the clubhouse after golfing
 - Asking them if they have looked at merchandise in pro shop.
 - Asking them if they are hungry, thirsty, or what can we get them?
 - Thanking people as they leave the clubhouse/course and that includes everyone!!!!!!

Frustrating trigger points for regular golfers on the course.

Full-time employees need to address:

1. Having someone walk out onto the course in front of you from the Fox Run neighborhood and start playing golf knowing they have not checked in. Start of solution- Letter to property owners.
2. Having a pack of kids from the neighborhood playing on the course or around the ponds by the clubhouse. Start of solution- Letter to property owners.
3. Groups eating sunflower seeds and spitting the seeds on the greens. Start of solution- Mentioned and talked about regularly with all golfers in clubhouse.
4. Groups that drive a cart onto tee boxes and greens. Etiquette and respect for the game and course. Needs to be taught and emphasized at Fox Run. Start of solution- Mentioned and talked about regularly with all golfers in clubhouse.

2016 Fox Run Operations Plan

- ❖ Start with - basic scheduling plans for both peak season and off-season
 - Expectation is a full-time employee will cover all leagues and informal fun nights, outings, and tournaments from beginning to the very end of events including closing down at night.
 - These course operations need to be organized well and administered well.
 - Full-time employees need to be able to answer questions in regards to: score, figuring flights and winners, award prizes, etc., to give the activity a quality feel.
 - Schedules need to be out to employees in a timely manner.
 - Schedule well in advance and then they have days to give to other employers if working other jobs.
 - In winter, two days off per week.
 - Call-in schedule for days in off-season where outside golf is happening.
 - Need to be able to offer food, beverage, driving range, etc. in early spring.
 - In summer, expectation for time worked will be much greater for full-time employees.
 - Try to have one day off per week for full-time staff.
 - Kevin- player development, youth programming, adult programming (outings and tournaments), equipment sales, equipment repairs.
 - Manager and Assistant- Soft goods merchandise sales (non-golf equipment), food & beverage sales, advertising sales, marketing of course.
 - Cart wraps for better advertising income.
 - Scorecard advertising for income.
 - Benches and ball washers advertisement selling in future.
 - Incentive plan for clubhouse full-time employees not just pro. Commission on advertising sales. Commission based on managing expenses first, and then on hitting projected net revenue marks.
 - Big ticket items with high margins- reward customer with season driving range pass, give bigger percentage of commission to seller, other value added give-away.
 - Consolidate to one counter? Logistics?
- ❖ Customer Service Training/Operations Training
 - All employees, full-time and part-time.
 - When?
 - Who?
 - No sitting in office, people out on the floor. Create office space in back storage room.
 - Clean-out and organize front office.
 - Till drawers can't be open
 - Dealing with money. If someone has to deal with making change for themselves or changing out small bills for big bills, a second person should do the counting and deal with cash drawer.
- ❖ Food and Beverage Operation
 - Needs to have regular hours as it pertains to the grill- off-season and summer-season
 - All full-time employees need to be able to operate and it is expected they will operate grill
 - Grill should not vary depending on staffing. Poor reflection on operations.
 - Change products to cheaper variety to be able to keep mark-ups but lower prices?
 - Review all product costs and set appropriate prices with mark-ups.

- ❖ In off-season- all full-time employees must be able to provide food and beverage service along with golf shop service.
 - Part-time help can never be younger than 18 so beverages can be sold whenever facility is open.
 - Food & Beverage plan in off-season prior to grill being open?
 - Once grill is open for season- all full-time employees must operate the grill and cook.

- ❖ Organized activities
 - Friday night couples league is important to course patrons.
 - How to better market?
 - Competitive League for youth
 - Other weekend tournaments/activities sponsored by Fox Run on slow weekend times?
 - Goal is to increase rounds played to 28,000.
 - Create values for season-pass holders to drive numbers. Goal is 400 season passes.

- ❖ Lessons
 - They take away from the overall management of the operations.
 - Need to be done at times when not on work schedule.
 - Same with golf equipment repairs.

- ❖ Maintenance Division
 - Lights out in cart sheds currently
 - Maintenance staff need to care for course and that includes restrooms, porta-pots, and cart-sheds (doors, light switches, lights, etc.)
 - All full-time staff need to care about maintenance issues, cleanliness, appearance, etc.
 - Need cross-training from Superintendent to Assistant Superintendent.
 - What can be done to lessen areas we maintain regularly? Longer grass, less mowing, less labor, less chemicals?
 - Trim trees in winter. Rockie needs to go to tree trimming course again as refresher. Can use in-mates to help pick up while Rockie and Doug do trimming.

- ❖ Etiquette on course, driving up on greens with carts, how do we educate people?

- ❖ Security cameras
 - Be careful how they are used.

- ❖ Surveys
 - Track walk-up golf zip codes.
 - For patrons, on-line, hand them a note with where to find the survey on-line.
 - Exit interviews of part-time employees. On-line?
 - Starting to install more concrete cart paths is a priority

- ❖ Sharing of resources
 - Hillcrest, Vermillion, Lakeview
 - Equipment, staff, Golf Pros

- ❖ Marketing starts in January for upcoming season. Who is going to handle marketing plans?

- ❖ In Sioux Falls, for 25 years the public courses had outside agencies handle the pro shops and concessions at the courses.
 - In 2000, the Parks and Recreation Department removed all City employees from the courses and contracted with a private management company, Dakota Golf Management, to provide the entire operations for the courses.
 - All golf fee increases must be brought to the Parks Advisory Board, each year, for approval.
 - The course revenues are split: 10% to the city's general fund, 10% to a golf course capital fund that is separate from the City's CIP, and 80% to the management group. City still has to fund capital improvements on courses.
 - Have a Yankton Recreation Pass which is a membership to the SAC, Fox Run Golf, and Memorial Pool. Good Jan. 1 through Dec. 31. Must pay lump sum, or can pay in four installments Feb. 15, March 15, April 15, May 15. Only two pay options.